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NANCY R. ALPERT VICE PRESIDENT BUSINESS AND LEGAL AFFAIRS RECEIVED

JUL 5 1994

FEDERAL COMMUNICATIONS COMMISSION
CEPTICE OF SECRETARY

July 5, 1994

Mr. William F. Caton Secretary Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554

> Re: Notification of Permitted Written Ex Parte Presentation in MM Docket No. 92-266

Dear Mr. Caton:

Lifetime Television ("Lifetime"), pursuant to Section 1.1206(a)(1) of the Commission's rules, hereby submits two copies of the attached permitted ex parte presentation to Commission officials regarding MM Docket No. 92-266. The attached letter was sent to various Commission officials to highlight and supplement Lifetime's June 29, 1994 comments in this docket.

Kindly direct any questions regarding this matter to the undersigned.

Respectfully submitted,

Many R. Alpert

Attachment

cc: Jane Tollinger, Executive Vice President FCCsecy.doc

No. of Copies rec'd





NANCY R ALPERT VICE PRESIDENT BUSINESS AND LEGAL AFFAIRS

July 5, 1994

Kathleen Wallman Cable Services Bureau 2033 M Street, N.W., Room 802 Washington, D.C. 20554

Re: MM Docket 92-266 (Permitted Ex Parte Presentation)

Dear Kathy:

As a follow-up to our recent visit, I am enclosing a courtesy copy of Lifetime Television's Comments filed on June 29, 1994 in response to the Commission's <u>Fifth Notice of Proposed Rulemaking</u> regarding the need to restore greater programming incentives for cable operators.

In its Comments, Lifetime urges the Commission to take the following corrective actions: adopt a flat fee mark-up that encourages operators to add, and not merely substitute, channels on regulated tiers of service; ensure operators at least a minimum mark-up on license fee increases for all program services; eliminate artificial, anti-consumer rewards to operators for the substitution of high fee services for low fee services; resist enforcement guidelines that would encourage migration of advertiser-supported services to a la carte distribution from the widely distributed tiers upon which their economics depend; limit the scope of review for complaints triggered by programming and other external cost increases to the reasonableness of the increase at issue, not the entire rate structure; and eliminate overbroad review and needless delay in operators' recovery of external cost increases on the basic tier.

Lifetime believes that these modifications are critical to the Commission's efforts to promote real, even-handed marketplace incentives for investment in new and existing cable programming.

Although not mentioned in its Comments, Lifetime supports the position taken by The Arts and Entertainment Network and ESPN, Inc. in their joint Comments in Support of Petitions for Reconsideration, MM Docket Nos. 92-266, 93-215 at pages 6-7 (June 16, 1994) that programming incentives should not extend to transaction-related services. The flat fee mark-up proposed by Lifetime in its Comments to encourage operators to add new program services to regulated tiers would not be necessary or appropriate for transaction-related channels, since they are based on a different economic model than traditional programming channels.

Again, we appreciate the time that you have taken to understand some of the unique concerns of Lifetime as an independent, non-vertically integrated, low cost, high quality program service. Please do not hesitate to contact me if we can be of any further assistance.

Very truly yours,

cc: FCC Secretary (two copies)

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Jane Tollinger, Executive Vice President



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